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C O N F I D E N T I A L REYKJAVIK 000118

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E.O. 12958: DECL: 03/30/2016
TAGS: [PREL](#) [MARR](#) [MASS](#) [IC](#)
SUBJECT: ICELAND: 3/30-3/31 TALKS SET STAGE FOR NEW
DEFENSE RELATIONSHIP

REF: REYKJAVIK 107

Classified By: AMBASSADOR CAROL VAN VOORST, REASONS 1.4 (B) AND (D)

11. (C) Summary: A U.S. interagency delegation met in Reykjavik 3/30-31 with senior Icelandic officials to describe the operational framework for the defense of Iceland following the upcoming realignment of Naval Air Station Keflavik (NASKEF). The Icelandic delegation expressed keen interest in U.S. proposals for enhanced security cooperation and pressed for additional details in the interest of generating a defense plan that could shortly be explained to the Icelandic people. The U.S. promised a EUCOM briefing in April on a new plan for the defense of Iceland, and assured the Icelanders that the departure of fighter jets would not create a gap in coverage. Although the Icelanders reiterated their disappointment at the U.S. pullout, the tone was essentially cordial and cooperative, with no indication that the Icelanders would seriously consider abrogation of the 1951 Defense Agreement. That said, the Icelandic trust that the U.S. team sought to shore up is fragile, and maintaining a collaborative atmosphere will depend on our ability to come through with a reassuring and detailed EUCOM plan. As the Icelanders pointed out, we have yet to delve into the murky depths of base closure issues - another challenge State and DOD must come to grips with shortly. End summary.

U.S. proposals

12. (C) The Ambassador led a team from the Departments of State and Defense that briefed senior Icelandic foreign affairs and public safety officials in meetings held in Reykjavik March 30-31, two weeks after the U.S. announcement that NASKEF would close at the end of the fiscal year. Assuring the Icelanders that the U.S. commitment to Icelandic defense under the 55-year-old bilateral Defense Agreement remained solid, the U.S. briefers discussed concrete ways in which the U.S. would counter 21st century threats minus a permanent on-island presence:

-- Acting Deputy Assistant Secretary of Defense James Townsend provided the historical context for the shift in force posture as the U.S. in Iceland seeks to replace "a one-dimensional response to a threat that no longer exists."

-- Defense Intelligence Agency Senior Intelligence Officer James Danoy enumerated mechanisms available for bilateral intelligence sharing and offered to help Reykjavik "plug in"

to the NATO intelligence structure.

-- Brigadier General Richard Mills, EUCOM Deputy Director for Plans and Operations, described European Command's contemporary mission and capabilities, laying out the ability of an expeditionary EUCOM to respond rapidly and decisively to threats to Iceland.

-- Brigadier General Thomas Coon, Mobilizations Assistant to the Director, Operational Plans and Joint Matters, HQ USAF, discussed how the Air Force can support EUCOM and NATO in providing warfighting capabilities for Iceland appropriate to the changing strategic environment.

-- Responding to Iceland's request for information, Lt. Colonel Troy Edgell, Country Program Director, Defense Security Cooperation Agency, explained search and rescue (SAR) procurement options via direct commercial sale and Foreign Military Sale as well as estimated Icelandic requirements and costs.

-- State Department Iceland Desk Officer John Maher reviewed the recent history and potential growth of U.S.-Iceland non-defense security cooperation.

¶3. (C) At the conclusion of the 3/31 session, EUR DAS Mark Pekala presented a 32-point distillation of concrete offers of strengthened cooperation made by the briefers, including:

-- strategic intelligence partnership (including through Icelandic access to NATO intel networks; bilateral expert

talks; joint intelligence assessments; intelligence officer training; and a formal bilateral intelligence exchange agreement);

-- exercises, ship visits, short-term deployments, and combat air patrols from bases outside Iceland;

-- Icelandic orientation visits to U.S. and NATO defense headquarters and installations;

-- Icelandic participation in the Foreign Military Sales program to enable cost-effective procurement of SAR assets;

-- non-military security training, e.g. on contraband enforcement, Internet forensic investigations, transnational money laundering, natural disaster response, and emerging and pandemic disease response;

-- enhanced Coast Guard exchanges and training, and partnering the U.S. Coast Guard's New England region with Iceland. (Note: This point amplified a presentation by U.S. Coast Guard Commandant ADM Thomas Collins, who had met with Iceland Coast Guard Director Georg Larusson and Ministry of Justice Deputy Permanent Secretary Stefan Eiriksson at Keflavik March 28. End note.)

Icelandic concerns

¶4. (C) The Icelandic side was noncommittal on specific U.S. suggestions and made none of its own. It did affirm its willingness to review an umbrella defense plan for Iceland that European Command expects to have ready by the end of April. Ambassador Albert Jonsson, Advisor to Iceland's Minister for Foreign Affairs and chair of the Icelandic delegation, urged the U.S. side to provide substantive and readily understandable proposals that the GOI could put forward to the Icelandic public as evidence that Washington continues to guarantee Iceland's security. He also requested that the U.S. provide, in the course of upcoming follow-up meetings:

-- a clear picture of the size and shape of the U.S. military

footprint that will remain on the Agreed Area at the end of September (adding that some U.S. presence would be important both practically and politically);

-- a timetable for bilateral discussions between now and the base closure;

-- information on how the U.S. intends to maintain and monitor its military infrastructure on the Agreed Area after September 30;

-- information on how the U.S. intends to carry out its responsibilities as host nation for the NATO infrastructure on the base;

-- an answer as to whether the Navy special communications facility at Grindavik will remain. (The U.S. side responded that the tentative plan is to convert to a contractor-run facility.)

15. (C) Icelandic MFA Defense Department Director Jon Egill Egilsson asked the U.S. to establish a mechanism for resolving base transition issues, including the timing of the handover of facilities on the Agreed Area. The U.S. delegation promised responses to these Icelandic concerns at the next round of consultations.

16. (C) Comment: Over the course of two days of discussion, Jonsson went from complaints of Iceland,s abandonment by the U.S. to a more constructive acknowledgement that the U.S. takes its responsibilities for Iceland,s defense seriously and is deliberately working through the issues of responding decisively and quickly to potential threats. This counts as a significant step forward insofar as it clears the air for discussion of specific ways in which the U.S. and Iceland can work together as modern strategic partners. That said, the Icelandic trust has been bruised, and maintaining a collaborative atmosphere will depend on our ability to come through with a reassuring and detailed EUCOM plan. We will also have to keep the pressure on the Icelanders to become active partners in the areas of cooperation that the team

outlined for them. Moreover, as Jonsson,s questions underscore, we have yet to delve into the murky depths of base closure issues - another challenge State and DOD must come to grips with shortly. End comment.

van Voorst